

STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

Insurance Building, PO Box 43113 • Olympia, Washington 98504-3113 • (360) 902-0555

April 18, 2002

TO:

All Agencies

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FROM:

Candace Espeseth, Assistant Director

Budget Division

SUBJECT:

INSTRUCTIONS FOR MARCH 2002 QUARTERLY ALLOTMENT

VARIANCE REPORT

RCW 43.88.110 requires the Office of Financial Management (OFM) to collect from state agencies an explanation of significant variances between their allotted and actual expenditures and to report these variances to the Legislature on a quarterly basis. Agencies showing a variance of 10 percent, or \$5 million on the attached report must return to OFM an explanation of the over or underexpenditure(s). Keep in mind that <u>unanticipated receipts and special allocations</u> are not part of the official allotments and must also be explained as variances.

Variance explanations for the quarter ending March 31, 2002 must be returned to OFM **no later** than May 1, 2002. Agency narratives can be mailed, faxed or e-mailed to:

David Hoadley, Administrative Assistant OFM Budget Division PO Box 43113 Olympia, WA 98504-3113 Fax: (360) 902-0680

E-Mail: dave.hoadley@ofm.wa.gov

Narrative explanations must be clear, succinct, and identify specific reasons as to why funds are over or underexpended. Narratives must also include explanations of *how* and *when* the variance is expected to be resolved.

Questions about the variance report can be directed to David Ward at (360) 902-0554 or to your assigned budget analyst.

CE:DW:dh

Attachment